

**Knowledge Management Research Paper**  
**Building a Collaborative Culture**

**by Katie Hutton**

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## Introduction

This paper will review knowledge management (KM) literature that focus on KM issues, studies, and best practices surrounding the human & cultural elements involved in KM projects. This paper defines a collaborative and learning culture, identifies issues that inhibit organisations to collaborate, and present best practices that organisations can use to help transform themselves.

Many organisations are finding their knowledge management initiatives are failing to realise the promises for improved business performance and competitive advantage. Several authors have researched companies' knowledge management projects and found that many did not fully address the cultural and human aspects (Berkman, 2001; Lang, 2001; Hinds & Aronson, 2002; Yahya & Goh, 2002). Without addressing an organisation's current culture and moving it towards one that favours knowledge sharing and collaboration, many KM projects will not succeed to provide the benefit that organisations desire.

## A Collaborative Culture

Organisations that have a collaborative culture are structured to allow the organisation to leverage knowledge in order to sustain long-term competitive advantage (Bhatt 2001). Collaboration can be defined as the process whereby individuals share knowledge and ideas in order to generate new knowledge and build on their experiences. Many also call this culture a learning culture. Garvin defined a learning organisation as:

*“A learning organization is an organization skilled at creating, acquiring, and transferring knowledge, and at modifying its behavior to reflect new knowledge and insights.”* (Garvin, 1993)

In many organisations today, knowledge primarily resides inside the experiences of their employees. These experiences are often stored as tacit knowledge inside the individual and are not easily codified. When organisations are unable to foster an environment that encourages collaboration they lose knowledge when the employees leave their jobs. These organisations rarely learn from their experiences or leverage their knowledge potential.

## Literature Reviewed

The literature included in this report contains both academic and practitioner articles surrounding organisational culture and its links to knowledge management initiatives. I also reviewed IT-related change management articles to find commonality between KM and IT-related change management best practices. I discovered that there is significant commonality in recommended best practices when organisations are looking to use knowledge to transform themselves into knowledge-powered organisations.

Davenport et al (1998) used the method of studying 31 knowledge management projects in 24 companies in order to identify, analyse and evaluate issues and best practices. McDermott & O'Dell surveyed 40 companies identified from an APQC study who were known to share knowledge successfully. From this survey they identified five companies and conducted face-to-face interviews to establish their best practice recommendations (McDermott & O'Dell, 2001). Sveiby & Simons (2002) produced a survey that measured the collaborative climate inside organisations and received 8277 responses from employees in both public and private companies. Other academics and most practitioners reviewed prior KM literature that studied companies or conducted surveys in order to synthesise and present their ideas of the issues and best practices in KM. Some academics and practitioners however conducted their own practical interviews and research on what KM leaders in organisations are doing to improve KM results; however they do not report on their method of research (Chiem, 2001; Adams, 2002; Drucker, 2002; Levin et al, 2002).

## What inhibits an organisation's ability to collaborate?

### Culture and Trust

An organisation's culture can stand in the way of knowledge management activities and can be a significant barrier to knowledge management initiatives (De Long & Fahey, 1997; Pollard, 2000; McDermott & O'Dell, 2001). An organisation's culture is made up of the shared values, beliefs, and practices of the individuals in an organisation (McDermott & O'Dell, 2001). The culture is embedded in mission statements, core values, and philosophy as well as reflected in its structure, physical spaces, communication patterns, reward systems, and business practices. Culture defines what knowledge is valued in the organisation as well as what knowledge is shared and with whom and which knowledge is closed and protected (De Long & Fahey, 1997).

Some writers believe that a component of culture -- trust -- is the missing link in knowledge sharing and collaboration failures (Chiem, 2001; Hinds & Aronson, 2002; Lang, 2002; Levin et al 2002). Levin et al (2002) conducted a study that indicated that two types of trust are required for effective knowledge sharing between individuals:

- Benevolence-based trust -- mutual belief that the individuals will not harm one another and will do the right thing when required;

- Competence-based trust -- belief that the individual is knowledgeable about a given subject (Levin et al, 2002).

Organisational trust is built or destroyed through the relationship of individuals and through interactions between those individuals.

## **Strategy & Leadership**

Many writers indicate that knowledge management initiatives will fail if they are not linked closely to the organisation's business strategy and have a clear business purpose (De Long & Fahey, 1997; Wiig, 1999; Pollard, 2000; Murray & Trefts, 2000; Berkman, 2001; McDermott & O'Dell, 2001; Adams, 2002; Lang, 2002). When knowledge management initiatives are undertaken without clear executive support, leadership and champion, they tend not to get the attention or resources required to succeed (Drucker, 2001; Lang 2002).

Lang (2001) indicates that organisations may not be effectively creating and supporting the organisational relationships required for creating and sharing knowledge. Lang (2001) also states that many organisations do not value or reward knowledge contributions because they cannot measure it effectively. As organisations undervalue knowledge and misunderstand the importance of the knowledge creation process, they do not allow the time investment required to effectively manage knowledge. In these types of organisations, knowledge sharing and creation is not cultivated or encouraged.

## Technology

Many organisations view their knowledge management initiatives primarily as technology initiatives and ignore the human and cultural aspects already addressed above. However, the technology itself can also hinder knowledge sharing and collaboration. In a user study conducted by Agency.com, 74% of the respondents of their survey indicated that the primary reason that they did not share knowledge was because the technology did not have the features available to collaborate (Kaplan, 2001). Sullivan (2002) indicates that there are two primary reasons that users do not use technology to share their knowledge -- systems are difficult to use and/or they do not trust the content. Drucker (2001) indicates that employee participation will suffer unless “knowledge management processes fit well into people’s everyday work life and those workers see some benefit to them...” (Drucker, 2001). Therefore, the technology should address clear issues that workers are facing and be integrated into the day-to-day business processes.

## Best practices in creating a collaborative culture

The literature identified some best practices in creating an environment that supports a knowledge sharing culture. These best practices are broken down into the following sections: organisational strategy, leading the way, shifting culture, building trust, supporting communities, building the learning foundation, and aligning technology with staff needs.

### Organisational Strategy

KM authors write that management must view knowledge management as a strategic initiative and provide the support necessary to the organisation in order to transform the organisation into one that can learn and adapt quickly in a rapidly changing competitive environment. The following points are a summary of the strategic best practices recommended:

- Align knowledge management practices with corporate strategy and ensure that they have a clear business purpose. This will keep corporate commitment to the knowledge management initiatives and will enable them to solve actual problems that the workers are facing daily (Kotter, 1995; De Long & Fahey, 1997; Wiig, 1999; Murray & Trefts, 2000; Pollard, 2000; Berkman, 2001; McDermott & O’Dell, 2001; Adams, 2002; Lang, 2002).
- Build knowledge sharing and collaboration *into* the corporate strategy. This keeps the organisation focused on the culture necessary to learn and adapt quickly to changing markets (McDermott & O’Dell, 2001).
- Build organisational knowledge into company products, processes, and services and institutionalise the new knowledge approaches. By incorporating knowledge into the workers daily lives, it becomes “the way things are done around here.” (Kotter, 1995; Pollard, 2000; Bhatt, 2001; Aiken & Sullivan, 2002).
- Based on the business strategy, clarify what types of knowledge are most important to the company’s overall success. Build a shared vision of the organisation that stresses the

value of knowledge and clearly communicate that vision and understanding of how the business works. Employees should understand how their contributions are integral to the achieving the departmental and organisational goals (Kotter, 1995; Davenport et al, 1998; Pollard, 2000; Chiem, 2001; Drucker, 2001; Hinds & Aronson, 2002; Levin et al, 2002)

## **Lead the Way**

All management levels must “walk the walk” and “talk the talk” of the new cultural direction of the company. This allows management to lead the organisation toward its new collaborative culture. There is a difference of opinion in some writers on whether you need a single senior management leader to lead the KM efforts such as a Chief Knowledge Officer or whether all management should become knowledge managers in their organisation. Some of the key leadership initiatives recommended are:

- Ensure that the knowledge management leadership style matches the organisational management style and the initiatives work within the structures of how things are done (McDermott & O’Dell, 2001). McDermott & O’Dell indicated that the best practice companies do not attempt to change the structure and style of the organisation but find the most appropriate way to work within it. This approach can avoid resistance and fear to major transformational changes.
- Management should identify the best ways to get the word out about what KM is, and why the organisation is undertaking it. Leaders should undertake programs such as formal staff training, formal and informal communication efforts, and internal marketing. They should also lobby the organisation for their use of KM practices and look for feedback in ways to improve it. (Davenport et al, 1998; Pollard, 2000; McDermott & O’Dell, 2001; Adams, 2002; Aiken & Sullivan, 2002; Hinds & Aronson, 2002).
- Management should provide the appropriate financial and organisational resources to make the transformation successful. Allow employees to give the time commitment to reflect, analyse, think, and create knowledge. (Garvin, 1993; Davenport et al, 1998; Lang, 2001; Drucker, 2001).
- Management should understand the impact of downsizing on knowledge sharing and look for ways to mitigate the problems. Communicate honestly and openly about what is happening and why. This will help minimise distrust that arises from downsizing activities (Hinds & Aronson, 2002).

## **Shift the Culture**

Management should look closely at the current organisational practices surrounding rewards and recognition. If workers are rewarded for individual achievement and competition, then there is little incentive to share knowledge or collaborate to create new knowledge. Many writers give the advice:

- Align performance evaluation, reward and recognition, and compensation programs to the desired behaviours for knowledge sharing and collaboration including group compensation

programs (Davenport et al, 1998; Wiig, 1999; Pollard, 2000; Berkman, 2001; Drucker, 2001; Lang, 2001; McDermott & O'Dell; Adams, 2002; Hinds & Aronson, 2002; Yahya & Goh, 2002).

- Identify those in the organisation who are well respected and hold the values required to develop a sharing culture and help those individuals model the way for the rest of the organisation (McDermott & O'Dell; Adams, 2002).
- Place a high value on creativity, personal excellence, and experimentation. Management should be tolerant of reasonable failure and waste as it comes with the creative process. (Davenport et al, 1998; Wiig, 1999; Chiem, 2001; Hinds & Aronson, 2002; Yahya & Goh, 2002).

## **Building Trust**

Many writers have identified trust as a critical component to building a collaborative and knowledge sharing organisation. The following best practices are recommended to build the necessary trust in an organisation:

- Management should demonstrate trust-building behaviours -- receptivity, discretion, active listening, and open communication. Employees should be encouraged to voice their concerns and feel confident that they will not be inappropriately disclosed (Levin et al, 2002; Adams 2002).
- Provide staff with access to organisational knowledge and empower them to make decisions. With empowerment comes creativity and knowledge creation. (Chiem, 2001; Aiken & Sullivan 2002).
- Foster strong caring relationships in order to create an environment where tacit knowledge is shared (Lang, 2002; Wiig, 1999).
- Measure the level of trust in the organisation and find ways to enforce the values of the company (Chiem, 2001).

## **Support the Communities**

In order to learn and create new knowledge, individuals need to share ideas, challenge their thinking, analyse and experiment. Communities are the best way of encouraging this behaviour. The following best practices were recommended to support collaborative communities:

- Foster and support communities of practice with face-to-face communication activities in order to develop the requisite trust and mutual understanding and create an environment with free-flowing ideas (Hinds & Aronson, 2002; Lang, 2001; Adams, 2002; McDermott & O'Dell, 2002; Pollard, 2000; Davenport et al, 1998; Drucker, 2001).
- Identify and build on existing networks as their members already experience trusting and sharing relationships; identify the groups who own or care about specific knowledge (Lang, 2002; McDermott & O'Dell, 2001).

- Support communities' ability to think together and share ideas using their own terms, language, and organisation of knowledge (Lang, 2002).
- Create both physical and virtual spaces where people can easily interact (Levin et al, 2002).

### **Build a Learning Foundation**

Yahya & Goh (2002) identified that organisations require additional training in order to equip the staff with the skills to build a learning and collaborative culture. The following training programs were identified:

- Leadership skills for all levels of management staff.
- Change Management techniques for all staff.
- Team building skills to foster cross-pollination of ideas.
- Brainstorming, problem solving, and experimentation skills. (Garvin, 1993; Yahya & Goh, 2002).
- TQM techniques to establish a quality culture.
- Good verbal and written skills to improve the quality of knowledge content. (Lang, 2001; Yahya & Goh, 2002).

### **Align Technology with Staff Needs**

Once the culture is in place that supports the sharing of knowledge, the technology also must be in place to effectively bring people together and provide easy access to organisational knowledge. The following technology best practices were recommended to encourage a collaborative environment and help ensure proper technology usage:

- Create a personalised user interface that effectively delivers appropriate structured and unstructured content that is easy to use and ensures integrity of content (Lang, 2001; Kaplan, 2002; Sullivan, 2002).
- Ongoing pruning, restructuring and ensuring currency of content; build in as much flexibility as possible to allow for constant change (Davenport, 1994; Davenport et al, 1998; Aiken & Sullivan, 2002).
- Create multiple modes of collaboration through formal content, informal communications, and directory of pointers to people. Provide functionality to allow online collaboration and knowledge sharing. (Davenport, 1998; Lang, 2001; Kaplan, 2002; Aiken & Sullivan, 2002).

## Conclusion

When organisations want to improve their competitive position through effective leveraging of their knowledge, a transformation of their culture may also be necessary. An organisation that is open and creative and values ongoing learning and collaboration is in the best position to leverage their knowledge and to attain competitive advantage. These organisations can adapt quickly to changing competition, create new knowledge and build it into products, processes, and services.

Management must look closely at the current culture, levels of trust, management behaviour and communication style, reward and recognition programs, and levels of skills and training of all staff. Management should also ensure that their business strategy fosters and supports collaboration and sharing of knowledge. Once the culture is open and able to share effectively and there are strong trusting relationships amongst staff and management, the technology can be applied to allow the organisation to reap the rewards of being a knowledge-powered organisation.

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